

CRSS/IRDF/FTA/UPSOLAIR
Proceedings of Visioning Workshop, held at UPSOLAIR, June 20, 2014

**Rebuilding a Damaged Agricultural Sector:
Transformation and Empowerment
of Rural Philippines**

The Visioning Workshop held at UPSOLAIR on 20 June 2014 was opened by **IRDF Dir. Arze Glipo**, who as Emcee and Moderator briefly cited what would be the situation after CARP/CARPER, from land reform to issues in agriculture and industrialization to the effect of climate change in agriculture.

UPSOLAIR Dean Dr. Jonathan Sale, in opening the workshop, noted the importance of agricultural labor and mentioned the flexibility of the labor market, the de-collectivization and the informalization of the labor sector. Dr. Sale said the unemployment rate is high despite claim that RP is an emerging economy and that we have a high growth rate. Dean Sale who is also a lawyer, considered agricultural sector and agrarian reform as basis for industrial development based on laws. The Dean said, globalization has spurred the growth of the service sector that although it increased informal employment yet there is an overall decrease and displacement of employment that pushed the service sector to the urban areas. Thus, in spite of the growth of service sector the unemployment rate still has increased.

UPSOLAIR Professor, Dr. Rene Ofreneo aptly described the overview of agrarian crisis in his Paper” *Agriculture as a damaged Sector*”. Purportedly since it is not only neglected but indeed colossally ruined as shown by several indicators: growing import dependence on basic consumer commodities (such as vegetable oil, onion, rice, corn, meat, garlic, coffee); a declining share in GDP; a concentration of landless, unemployed people in the countryside resulting to widespread hunger and poverty; and the growing restlessness among them.

Dr. Ofreneo, formerly UPSOLAIR Dean, cited the root causes that led to the sector’s damage that included the decline in investments; failure in infra development including AFMA; aimless global integration; and a non-reformist CARP/CARPER.

Among the defects cited by Professor Ofreneo were his observation that for at least 25 years, CARP/CARPER as an instrument for balanced rural development and land justice has not been realized because there was no program for transformation of ARBs and ARCs. He also observed that leading agencies such as DAR and DA have different development agenda, and convergence may have been carried out only for leasing on agribusiness. DAR has a narrow concept of “support services”, thus, farmer beneficiaries have not actually benefited but were

in fact sidelined or taken for granted. He added, that there was no significant agro-industrial development that happened, hence the need to re-design reforms.

On that premise, the sector will continue to stagnate and import dependence will result to low productivity. Without an overhaul of neo-liberal economic policy regime, there will be neglect of people's needs.

The central problem, according to Dean Ofreneo, who was also former Labor Under-Secretary, is the incoherent/unclear vision of development. He cited the need for social reforms like land for the poor, and self-sufficiency of farmers with the aid of science, technology and modernization that needed funds. His challenge: What must be done?

IRDF's Peasant Leader Frank Pascual, discussed "**Land Reform for the 21st Century: Making Real Reform Happens after CARP/CARPER**". Land reform, Pascual said, has run for 26 years. This timeframe alone would exactly tell us what kind of land reform we have, he observed. If it took that long to implement land reform, it means that CARPER failed. Land reform cannot be measured in terms of land distribution to beneficiaries but in how many land monopolies have been broken. The next phase is now referred to as the second generation problem.

He noted that land monopoly persists; so is exploitative environment in the countryside (i.e. land owners also lend money to peasants cultivating the land). Farmers in the countryside are not mechanized which results to low productivity. He observed that structure of countryside economy remained in traditional primitive capitalistic relations with backward system of agricultural production. Poverty in the countryside is due to the inequality of incomes. Poverty is a vicious cycle. Since the farmer is poor they become prey to usurious practices and nothing is left for production expenses so the vicious cycle continuous. There is no level playing field because small peasants remain not viable. There is a need therefore to make farmers become empowered and economically viable by having a ready market. What is needed is coherent state policy and state-led reforms. Land must be physically transferred and must be accompanied by support services.

Moreover, there is actually a vast re-concentration of lands to the private sector (capitalists, retirees, *balikbayans*). He said there is a need for an alternative agrarian reform law in order to crush landlordism and to strengthen the role of peasants and countryside movements.

UPLB Professor and Scientist, Dr. Ted Mendoza defined key words like agriculture, culture, transformation and climate change and posed the questions: Which was damaged: agriculture or culture? Where do we go from here? He presented the paper, "**Pivoting a Change In**

agriculture Culture: Transformation Challenges Due To Climate Change". In his presentation some highlights were cited concerning the transformation that is happening in agriculture, culture, population, food production, food consumption, GHG, climate change, farming practices and many more.

Significant observations were:

- Agriculture with 12% of GDP permeates in other sectors of the economy like 15% in the service sector and 10% in manufacturing.
- In food consumption, over the years, Filipinos transformed into increased meat consumptions that require food processing that contributed to factors in GHG .
- Greenhouse gas contribution of agriculture according to IPCC is 11-15% of the total GHG. This is important in climate change.
- Industrialized agriculture is oil-based. Oil crisis looms (the era of cheap oil is gone);
- Resources are being degraded and the era of cheap food is also over
 - Soils are being destroyed 13 times faster than created. Soil erosion depressed food production. Productive dry lands (rangeland/rain fed) suffer from severe desertification and so with irrigated lands. There are also few people in food production.
 - Climate change needs agricultural technologies, systems, practices, investments and .research. There is need for new farm practices to address climate change like integrated and organic bio-diverse farming in production and post production.
 - In transforming agriculture, there is a need for family based farms to be "cooperativized" multifunctional in pivoting change in agriculture.

Dr. Ted Mendoza, UP Scientist and Crop Science Professor, recommended the restoration/rehabilitation of mangrove areas; protect fishing grounds; implement radical changes in agricultural technologies, investments, research and policies. He also recommended patronizing locally grown food and reduces food miles. He noted a pivot on patronage to fast food companies (Jollibee, McDO, KFC) into a highly mechanized, organic, integrated, "cooperativized" and multifunctional culture of eating: from fast-food to "*lutong-bahay*".

Plenary/Open Forum Questions:

Mae Ann Manahan (Focus on the South; Stop the War Coalition; SARA):

Questions:

1. What has been achieved by peasant struggle in terms of its engagement with the state re: land reform issue?
2. Why did the lifestyle pattern of people change when it comes to consumption?
3. Was this because of corporate control by multinational corporations engaged in manufacture and production?

Dr. Ted Mendoza (UPLB Resource Speaker):

Response:

There was a rural social movement towards democratization but it was fragmented. There was also dominance of corporate control in agricultural sector that affected lifestyle and food consumption of people.

Ka Belo Samonte (CCCP/ACPOSSOP):

Question:

There is a need to accompany CARP/CARPER reforms with support services like technical support, farming practices, funding, and agri-business linkages but in view of the many policies, agencies and players, think of how could we implement coherence and convergence?

Bel Formanes (CCCP/TFM)

Comment:

Land struggle is also a struggle of all sectors. *“Di mapagtagumpayan ang CARP dahil sa structural problem, ang estado ay pro-landlord.”* (CARP would not be successful with structural problems because pro-landlordism still exists.) CARP would need a revolutionary program for structural change in the society. The laws and policies are still influenced by capitalists and there is a need to balance the playing field. We are pushed to the point of no option but to continue the struggle.

Ka Jun Pascua (Peasant Leader PKMM ,Quezon):

Comment:

“Ang nanyayari sa ordinaryong magsasaka ay pag ang lupa naipamahagi na, tapos binabawi din” if there is distribution of land, there is also leaseback. Agrarian reform is believed to refer to agriculture, forest, fisheries and industry. It should generate income and food to have growth in agriculture. Modernization in agriculture should be more towards industrialization than system in society. If one is given a piece of land is it enough to support education of children? Let us again look at the peasant movement. How many of the farmers were able to realize their dreams of owning a piece of land? How many millions more are left dreaming?

Ms. Editha Yumul Rosario (DAR):

Response:

In CARP, there are programs, vision, mission, mandate in order to make programs successful. There are implementing guidelines, EOs, issuances that mandate centerpiece program with DAR and OP as implementing agency to implement the programs. The DAR has commissioned a study to monitor without bias to the programs. In an economy with cash scarcity, small farmers resort to usurious losses. There should really be serious organizing for CARP support. There should be sampling studies quantifying actual

happenings in CARP. In addressing emerging issues, monitoring should be done on inter-agency basis on the programs.

ASEC. Nestor Florenda (DAR):

Response:

This meeting remains to be a discussion on the agrarian reform for those opposing the burial of CARP. In reference to the 26 years of agrarian problem, let us recall historical background that agrarian problem started even during the time of Andres Bonifacio over 100 years ago. The reformist and non-reformist of CARP noted the shortcoming of implementation but the reformists noted the wide-disparity of the implementation from people's expectation. The thrust of the program lack centrality. *"Wala yung centrality ng land reform dahil hindi talaga integrated ang program implementation"*. In reality, agrarian reform should be an integrated program. CARP should be for transformation and empowerment of the rural sector. The shortcoming of CARP needs the peasant movement to push for centrality. One factor is that Development Plans are too short and PDAF is only 6 years. Thus, there is no continuity of programs that remain fragmented which although top level has convergence this is not the case at the bottom because it lacks integration at the grassroots. The peasant movement has not sustained continues strength while government lack the exercise of people's participation. Thus, there is no holistic program for the development of agriculture and people empowerment for the continuing struggle.

Ka Jun Pascua (Peasant Leader PKMM,Quezon)

Comment:

The agrarian reform assessment on farmers' POV; there was mention of the accomplishment in which there were cases of *"pagbabawi ng lands sa mga farmers"*. It was also cited that the challenge is to assess the peasant movement.

Dr, Ted Mendoza (UPLB Resource Person):

Response:

There is a need for science and technology including research and development. There is also observation that there is no national industrial policy (i.e. national mining and steel industry). In agriculture, the assessment is still neo-colonialism which is obsolete.

Frank Pascual (IRDF's Peasant Leader Resource Person):

Comment:

Peasant leader Frank Pascual reiterated the need in strengthening peasant movement with more focus devoted to land development. He recalled that during the American regime there was already land reform but it was more allied to the elite. He stressed the need for programs on equitable land distribution tempered with social justice and a more integrated program with industries. Thus, the need for some changes in the law and in the system in the focus towards this direction.

Ms. Edita Yumul Rosario (DAR):

Comment:

In the DAR, Ms. Editha Rosario has noted the emergence of new issues belonging to what is now referred to as 3rd generation problems along with other generational issues.

UPSOLAIR Assistant Professor, Dr. Melisa Serrano presented "***An Integrated Agrarian Model of Development: From Land Reform to Industrialization***", a paper partially reproduced from "*National Road Mapping for Rural Philippines*" a research undertaken by CRSS with UPSOLAIR Team of Dr. Rene Ofreneo, Dr. Melissa Serrano and Errol John Ramos of Fair Trade Alliance (FTA). Prof. Melissa Serrano cited that countries such as Japan, South Korea and Taiwan were able to make a takeoff in agrarian reform in relatively shorter periods. Dr. Serrano cited the success of agrarian reform in these countries which were pro-active with industrial policies. The systems created a dynamic equitable income distribution. The land re-distribution improved farm incomes. Taiwan has linked consumption and production. The consumer base expansion led also to expansion of industrial base.

Study framework: there will be no sustainable development without agricultural development of which the core is land reform. The economic model is so limited while this model is encompassing.

There must be a continuing struggle for change. There must be transformative social movement. Dr. Serrano stressed the need for sustained organized demand for peasant movement. She asked: "What could be an integrated agrarian development look like?" She emphasized the need for an agrarian model, land reform, rural development, national development and industrialization.

Professor Serrano presented two (2) model schematic diagrams: 1) A Land Reform-Induced Development Strategy; and 2) A Conceptual Framework of Making Land Reform and Agricultural Development Work.

In addition to the lessons she presented on her studies of the models from Japan, South Korea and Taiwan, she discussed macroeconomic policies on a) abandonment of IMF/WB's structural adjustment program; b) government infra spending; c) progressive land taxation; d) rural health/education; and e) rural social insurance. She also cited protectionist policies on special trade treatment; increasing agri-import tariffs; and agri-market linkages.

UPSOLAIR Professor Melissa Serrano also touched on green technology services like a) low credit for ARB; b) R & D agri-green technology; c) agri-market assistance; and other ARB/ARC technical support.

Dr. Serrano closed her presentation by citing an integrated land use plan with essentials like a) balance cash crops for export and domestic consumption; b) targeting permanent agri-areas; and c) eco-friendly suitable crops.

Open Forum

John Cortiz (Makabayan Pilipinas):

Comment:

On the issue of nationalism, John Cortiz commented that we are not too nationalistic enough.

Dr. Melissa Serrano (UPSOLOAIR Resource Speaker)

Response:

It doesn't matter if we're nationalistic enough. People developed their consciousness through conscious struggles. If it will come from the ranks of peasants so be it.

On Agricultural Mechanization for Sustainable Agriculture

Dr. Melissa Serrano (UPSOLAIR Resource Person):

Comment:

- Agri-business plantations/corporate usually do this because they have the capacity; *“mas efficient pa rin ang family farms,”* depend on family labor efficient way of farm management- family farm as the start for agriculture modernization.
- The reaction on South Korea's suicide during WTO-so historically land reform was achieved; it was the equalizing impact of land reform in these areas. Land reform was a strategy against inequality.

Dr. Rene Ofreneo (UPSOLAIR Resource Person)

Comment:

Dr. Ofreneo stressed the point that:

- *“kailangan ito sa* process of industrialization of agriculture. You have to mechanized but *depende sa* products and land *na naroon*; historically, there were problems on the 'tractorization' (use of tractors) during the Marcos time”
- *“hindi kailangan ng individual magsasaka* but must be done in cooperative system”
- skills technology development of farmers is needed
- it is important to abandon/set aside the Structural Adjustment Program which are imposed by WB/ IMF, IFIs which have a different view of Philippine agricultural direction
- there should be support for integration concept of agriculture

Nestor Diego (PKMP Nueva Ecija) and Agging Aban (APNFS)

Comment:

They both expressed their support to the observations of Dr. Ofreneo.

Angging Aban (APNFS):

Comment:

Further, Angging expressed the challenge to traditional farms in order to transform into sustainable farms. This was for farming systems like agricultural mechanization.

Hazel Tanchuling (RI):

Comment:

Ms. Tanchuling was skeptical in expressing that national convergence program may be ineffective.

Ka Uper Aleroza (PKSK):

Comment:

He suggested the need for a change in the attitude of policy-makers. He said, "We in the POs cannot describe what peoples' participation actually means". Further, he said, "*Hanggat di nababago ang sistema, walang meaningful participation na maaring ikabit at ang sinasabing inclusive growth ay wala rin*".

Factors why agrarian reform failed.

Pepe Tanchuling (Tde):

Comment:

He asked where would be the engagement in order that interventions would be continuous in order also to continue the struggle?

Bel Formanes: (CCCP/TFM)

Comment:

The flaws of CARPER can easily be cured. In our experience, those flaws in the law were easily resolved by provisions taken from the same law. CARPER law is good, the problem is in the implementation. There's "enmity" in the national and local offices." *Imagine mo ang Secretary nagbungkal ng folder sa Iloilo, ibig sabihin wala siyang tiwala sa MARO*".

ASEC. Nestor G. Floranda(DAR):

Comment:

Land reform experience in the Philippines is actually 100 years. Reaction on Reformist of AR (Dean Rene)- it is actually reformist. "*Pagpapalit ng government administration, nawala ang centrality ng agrarian reform.*" What happened was that the agrarian reform has become one of the programs already. There was no continuity of CARP implementation.

Ka Belo Samonte: (CCCP/ACPOSSOP)

Comment:

Ka Belo made positive comments on Dr. Serrano's paper on the open model of land reform strategy and strategic alliance. Given agrarian reform's CARP and CARPER, he suggested looking for institutional mechanisms to re-build damaged agricultural sector into integrated rural development. He asked, "can we strengthen and re-invent cooperatives as strategic institutional mechanism for integrated rural development?" He noted "cooperatives" was mentioned by Dr. Ofreneo, Dr. Mendoza and DAR's Ms. Editha Rosario. He noted Dr. Serrano's studies on the approaches of Japan, Korea and Taiwan. Ka Belo cited Papal Encyclical (Mater et Matera) of St. Pope John Paul XXIII introduced family farms and family enterprises so he suggested for additional studies on "cooperative enterprises" like cooperatives in Russia; small enterprises of US and Western countries; and re-invented hybrid "cooperative enterprises" by International Cooperative Alliance (ICA) in RURAL 21, a Journal of Cooperatives. In "cooperative enterprises", he suggested essentials like a) federations and confederation; b) planning, training, subsidies and interventions; c) legislations, regulations, safeguards and safety nets; and d) strengthened role of cooperatives in an executive department. Examples cited for integrated rural development were: farm coops; coop banks/financial credits; electric/power coops; transport coops; coop markets/trade; coop manufacturing enterprises; coop warehousing/storage; coop retail enterprises; coop machineries; coop ecotourism enterprises; and many more.

ASEC Nestor G. Floranda (DAR)

Comment:

What interventions should be done to the land distribution to makeover for the past inaction? The scenario:

1. At present no plenary, everybody is awaiting from Lower House the House Bill (HB)
 2. The Senate Bill made it to plenary at Upper Chamber but the Senate could not approve in view at Lower House, HB was remanded to committee for technical problem so in absence of committee report no one in Lower House could receive Senate approval in view of technical problem at Lower House.
 3. Meanwhile, CARP has accomplished only about 80% in the distribution and there is a need to look for other ways to resolve the problem in CARP/CARPER which means the continue struggle and strengthen mobilization of the farmers organizations and peasant movement.
 4. There is a need for continuing efforts in legislation for agrarian reform including the need to improve the land conversion bill.
 5. Another problem is budget funding since funds for agrarian reform are provided annually thru the General Appropriations Act.
 6. The slow processing of papers may need selection and training of officials with agrarian reform skills and would fast-track processing. There is a need for skilled officials and institutions for training and implementation to involve DA, DAR, DENR, CRA, including land registration and improve the support services on DAR's role in RA (Sec. 35).
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7. Accomplishment thru LAD is slow while there are weakening initiatives:

- a) Like extension and exclusion (i.e. Sotto Case based on RA 7881 on exemptions of fishponds)
 - b) Weakening initiatives in legislations, rules, regulations, ordinances requiring other exemptions.
 - c) Other weakening initiatives maybe mandated thru legislation by changes in targeting priority areas on public lands.
 - d) Verification of beneficiaries within 6 mos. (when land owners contest beneficiaries and period to get CLOA)
 - e) The problems related to land titles, technical description, DAR clearance, lot overlapping, double titling, missing/destroyed titles, etc.
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Dr. Rene E. Ofreneo (UPSOLAIR Resource Person)

Comment:

Dr. Ofreneo mentioned some local and foreign policies and legislations that should be studied and monitored:

- a) In reference to a paper on RP Farm Bill which was circulated in the workshop, attention was drawn to study US Farm bill particularly on subsidies, nation's food security and on the impact of liberalized market.
- b) Free Trade Agreements (FTA) of Korea, US and Europe are heavily subsidized and the culture of change in agriculture taking place.
- c) On Magna Carta of the Poor, some issues should be examined like: mechanization, fabrication, manufacturing, and industrialization and the scenario overhaul less structural adjustment. The change in financing policies like fiscal and monetary policy, macroeconomic policy concerning directions in agriculture and industrialization and the direction of integration in agrarian development and agro-industrial development.
- d) Regional consultation and integration.
- e) The need to review and circulate the issues in a draft statement.

Synthesis of IRDF's Dir. Arze Glipo:

Remarks:

Moderator Ms. Arze Glipo of IRDF, expressed appreciation over the very interesting and lively exchanges of viewpoints and summarized the highlights of the proceedings with overview comments:

- The visioning workshop unfolded many policy options.
- We should propose a working group in order to include and write about all these critical points so that the valid findings shall be evidence-based.
- There was a move to summarize the proceedings and write a statement to be circulated before the SONA. Designated were: Ka Belo Samonte (CCCP) and Ms. Aya Jollorina (IRDF)

Conclusion:

In closing, the visioning workshop provided a new direction in rebuilding the damaged agricultural sector and the transformation and empowerment of the rural communities.

Proceedings Prepared for CRSS/IRDF/FTA by:

Ka Belo Samonte

Aya Jollorina

27.06.14

List of Handouts in workshop kit:

- Workshop Program
- An Invitation to a Visioning Workshop at UPSOLAIR, June 20, 2014
“Rebuilding a damaged agricultural sector: Transformation and Empowerment of Rural Philippines (A crisis-ridden and stagnating sector: Why a visioning exercise for the sector)” (Workshop primer)
- “Beyond CARP: Towards the Full Empowerment of Rural Philippines(Overview on why CARP has failed)” (Write-up)
- Dr. Rene E. Ofreneo, *“Agriculture – A damaged sector”* (ppt hardcopy)
- Dr. Teodoro C. Mendoza, *“Pivoting a Change in agriculture culture: Transformation Challenges due to climate change”* (paper)
- Dr. Melissa R. Serrano, *“An Integrated Agrarian Model of Development: From Land Reform to Industrialization”* (ppt hardcopy and paper)
- FTA/CRSS, *“RP Farm Bill – Now”* (ppt hardcopy)
- IRDF, *“Impact of Corporate Land Investments in the Philippines: The Mindanao Story”* (paper)

List of Attendees/Resource Persons:

APNFS

Angging Aban

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Bel Formanes

Belo Samonte (ACPOSSOP)

Edwin Musngi

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